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LISTING STATEMENT No. 2150

LISTED NOVEMBER 22nd, 1963
10,000,000 shares without par value
Ticker abbreviation "KER"
Dial ticker number 357
Post section 9.3

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

KERR ADDISON MINES LIMITED

Incorporated under Part I of The Corporations Act (Ontario) by
Letters Patent of Amalgamation dated November 18, 1963,
amalgamating Kerr-Addison Gold Mines Limited, Anglo-Huronian, Limited
and Bouzan Mines Limited under the name Kerr Addison Mines Limited.

1. Address of the Company's Head Office and of any other offices:

The address of the Company's Head Office is 1600, 44 King Street West, Toronto, Ontario; the address of the mine office of the Company is Virginiatown, Ontario; and the address of the Company's office in British Columbia is 319, 409 Granville Street, Vancouver, British Columbia.

2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
President	William S. Row	168 Forest Hill Road Toronto 7, Ontario.	Mining Executive
Vice-President	Kenneth C. Gray	206 Forest Hill Road, Toronto 7, Ontario.	Mining Executive
Secretary	Ralph Douglas Stewart	7 Birchcroft Road, Islington, Ontario.	Corporate Secretary
Treasurer	Bruce Charles Bone	29 Hurlingham Cres., Don Mills, Ontario.	Chartered Accountant
Assistant Secretary	John Barry Sage	11 Romney Road, Islington, Ontario.	Assistant Secretary

3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
John R. Bradfield	222 Forest Hill Road, Toronto 7, Ontario.	Mining Executive
Frederick M. Connell	53 Russell Hill Road, Toronto 7, Ontario.	Mining Executive
Morson S. Fotheringham	Steep Rock Lake, Ontario.	Mining Executive
Kenneth C. Gray	206 Forest Hill Road, Toronto 7, Ontario.	Mining Executive
Henry E. Langford	20 Oriole Gardens, Toronto 7, Ontario.	Executive
Harold H. Leather	341 James Street South, Hamilton, Ontario.	Executive
Richard V. Porritt	25 Dunloe Road, Toronto 7, Ontario.	Mining Executive
W. Harold Rea	27 Blyth Hill Road, Toronto 12, Ontario.	Industrialist
William S. Row	168 Forest Hill Road, Toronto 7, Ontario.	Mining Executive
W. Dent Smith	5 Rosemary Lane, Toronto 10, Ontario.	Executive

4. Names and addresses of all transfer agents:

Eastern & Chartered Trust Company, 1901 Yonge Street, Toronto, Ontario;
Registrar and Transfer Company (New York), 50 Church Street, New York, New York; and
Registrar and Transfer Company (New Jersey), 15 Exchange Place, Jersey City, New Jersey.

5. Particulars of any fee charged upon transfer other than customary government taxes:

45¢ for each new certificate.

6. Names and addresses of all registrars:

Eastern & Chartered Trust Company, 1901 Yonge Street, Toronto, Ontario.

7. Amount of authorized capital: 10,000,000 shares without par value, not to be issued for a consideration exceeding \$15,000,000.

8. Number of shares and par value: 10,000,000 shares without par value.

9. Full details of all shares issued in payment for properties or for any other assets other than cash:

Upon the grant to the Company of Letters Patent of Amalgamation dated November 18, 1963, the shares of each of Kerr-Addison Gold Mines Limited, Anglo-Huronian, Limited and Bouzan Mines Limited, the amalgamating companies, were converted into 6,828,702 shares of the Company in accordance with the provisions of the Amalgamation Agreement dated October 10, 1963 made between the aforesaid amalgamating companies. On November 18, 1963, 185,200 shares of the Company were issued to Prospectors Airways Company, Limited as part of the consideration for the transfer of the undertaking, property and assets of Prospectors Airways Company, Limited to the Company, pursuant to the terms of an Indenture made the 18th day of November, 1963 made between Prospectors Airways Company, Limited and the Company.

10. Full details of all shares sold for cash.	No shares of the Company have been sold for cash.												
11. Total number of shares issued.	7,013,902.												
12. Number of shares now in treasury or otherwise unissued.	2,986,098.												
13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.	No issued shares of the Company are held in trust for the Company and none have been donated for treasury purposes.												
14. Date of last annual meeting.	The Company has not held an annual meeting since the grant of the Letters Patent of Amalgamation to the Company.												
15. Date of last report to shareholders.	The Company has not made a report to shareholders since the grant of the Letters Patent of Amalgamation to the Company.												
16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	There are no treasury shares of the Company now under option or the subject of any underwriting or sales agreement, or shares issued subject to payment or shares held for the benefit of the treasury of the Company.												
17. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or other securities or assignments, present or proposed.	Not applicable.												
18. Details of any payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	There are no payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.												
19. Details of any shares pooled, deposited in escrow, non-transferable or held under any voting trust agreement, syndicate agreement or control.	So far as the Company is aware, there are no shares of the Company pooled, deposited in escrow, non-transferable or held under any voting trust agreement syndicate agreement or control.												
20. Names and addresses of owners of more than a 5% interest in pooled or escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.												
21. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <thead> <tr> <th>NAME AND ADDRESS</th><th>SHAREHOLDINGS</th></tr> </thead> <tbody> <tr> <td>Noranda Mines, Limited 1700, 44 King St. W., Toronto 1, Ontario.</td><td>1,789,904</td></tr> <tr> <td>Pamour Porcupine Mines Limited, 1700, 44 King St. W., Toronto 1, Ontario.</td><td>383,760</td></tr> <tr> <td>Hallnor Mines Limited 1700, 44 King St. W., Toronto 1, Ontario.</td><td>300,000</td></tr> <tr> <td>Douglass & Co., P.O. Box 2010, Church Street Station, New York, New York.</td><td>210,000</td></tr> <tr> <td>International Mining Corporation, 535 Fifth Avenue, New York, New York.</td><td>79,500</td></tr> </tbody> </table> <p>The Company is advised that the above-mentioned shares of the Company held by Noranda Mines, Limited, Pamour Porcupine Mines Limited and Hallnor Mines Limited are beneficially owned by those respective companies. The Company does not know whether or not any of the other above-mentioned shareholders are the beneficial owners of the shares of the Company registered in their respective names.</p> <p>So far as the Company is aware none of the above shareholdings are pooled or escrowed.</p>	NAME AND ADDRESS	SHAREHOLDINGS	Noranda Mines, Limited 1700, 44 King St. W., Toronto 1, Ontario.	1,789,904	Pamour Porcupine Mines Limited, 1700, 44 King St. W., Toronto 1, Ontario.	383,760	Hallnor Mines Limited 1700, 44 King St. W., Toronto 1, Ontario.	300,000	Douglass & Co., P.O. Box 2010, Church Street Station, New York, New York.	210,000	International Mining Corporation, 535 Fifth Avenue, New York, New York.	79,500
NAME AND ADDRESS	SHAREHOLDINGS												
Noranda Mines, Limited 1700, 44 King St. W., Toronto 1, Ontario.	1,789,904												
Pamour Porcupine Mines Limited, 1700, 44 King St. W., Toronto 1, Ontario.	383,760												
Hallnor Mines Limited 1700, 44 King St. W., Toronto 1, Ontario.	300,000												
Douglass & Co., P.O. Box 2010, Church Street Station, New York, New York.	210,000												
International Mining Corporation, 535 Fifth Avenue, New York, New York.	79,500												

22. Names and addresses of persons whose shareholdings are large enough to materially affect control of the Company.	The shareholdings of Noranda Mines, Limited, 1700, 44 King Street West, Toronto, Ontario, are large enough to materially affect control of the Company.
23. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.	The Company has not registered with or made application to register with or requested approval or authority for sale or filing with any Securities Commission or corresponding Government body.
24. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled, suspended or revoked? If so, give particulars.	The Company has never had an application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body refused, cancelled, suspended or revoked.
25. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	There are no bonds, debentures, notes, mortgages, charges, liens or hypothecations of the Company outstanding.
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	The investments in shares or other securities of other companies as at June 30, 1963, of Kerr-Addison Gold Mines Limited, Anglo-Huronian, Limited, Bouzan Mines Limited and Prospectors Airways Company, Limited, all of which participated in the Plan for combining their assets and undertakings to form the Company, are summarized in the table attached hereto as Schedule "A", which table sets forth net liquid asset values as at June 30, 1963, and which table was also shown on page 3 of the Information Booklet contained in a Brochure sent to all shareholders of each of Kerr-Addison Gold Mines Limited, Anglo-Huronian, Limited, Bouzan Mines Limited and Prospectors Airways Company, Limited on October 11, 1963.
27. Enumerate fully each of the following property classifications, giving claim or property numbers, approximate acreage, townships and mining camp or oil field: (a) Properties owned where titles vested in Company. (b) Properties leased. (c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)	By virtue of the Letters Patent of Amalgamation bearing date November 18, 1963, the Company possesses all the property, rights, privileges and franchises of Kerr-Addison Gold Mines Limited, Anglo-Huronian, Limited and Bouzan Mines Limited. The Company pursuant to an Indenture made November 18, 1963 with Prospectors Airways Company, Limited, purchased and now possess all the undertaking, property and assets of Prospectors Airways Company, Limited.
28. Full particulars of any royalties or other charges payable upon production from each individual property.	There are no royalties or other charges payable upon production from any property owned by the Company.
29. Names and addresses of vendors of any property or other assets intended to be purchased by the Company showing the consideration to be paid.	The Company has no intention at this time to purchase any property or other assets. The Company holds numerous options to purchase mining properties located in Canada but it is not practical to enumerate same.
30. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.

<p>31. Are any lawsuits pending or in process against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so explain fully.</p>	<p>In an action commenced in the Supreme Court of Ontario, and which has been pending since October, 1961, Prospectors Airways Company, Limited and one of its officers have been named as defendants to a combined claim of approximately \$200,000. Pursuant to the terms of the said Indenture made the 18th day of November, 1963 between Prospectors Airways Company, Limited and the Company, the Company as part of the consideration for the sale and transfer of the undertaking, property and assets of Prospectors Airways Company, Limited to the Company, agreed to assume and discharge all debts, obligations and liabilities (absolute or contingent) of Prospectors Airways Company, Limited existing at the date of the Indenture or arising by reason of the said sale and transfer.</p>
<p>32. Describe plant and equipment on property or properties.</p>	<p>The Company's mining property situate in the Township of McGarry, in the Larder Lake area of the Province of Ontario, contains an integrated mining and milling facility capable of handling tonnage in excess of 4,500 tons of gold ores per day. The plant has full service facilities, including machine and repair shops, change house and lamp room, assay office and laboratory, office and administration accommodation and warehouses.</p>
<p>33. Describe all development accomplished and planned.</p>	<p>The Company operates Canada's largest gold mine, which is located in McGarry Township aforesaid. It is estimated that with present proven ore reserves, the mine has a life expectancy of approximately 10 years. It is expected that the daily tonnage will decline to about 1,600 tons by 1966, remain at that level for 5 or 6 years and thereafter decline further.</p> <p>It is estimated that the grade of ore mined for 1963 will be 0.321 ounce per ton and will show modest improvement over the next 2 years after which it will become appreciably better for approximately 6 years.</p>
<p>34. Date and author of mining or petroleum engineer's or geologist's report filed with this application and available for inspection on request.</p>	<p>Not applicable.</p>
<p>35. Full particulars of production to date.</p>	<p>The milling operations at the Company's mining property situate in the Township of McGarry aforesaid were commenced by Kerr-Addison Gold Mines Limited in 1938, and reached a high of 4,556 tons of gold ores per day in 1960. Due to a shrinkage in the volume of ore at depth and the failure to find additional ore on lower levels, the daily production in 1962 decreased to approximately 3,400 tons. Average daily tonnage milled during the first half of 1963 was 2,904 tons and it is anticipated that the average daily tonnage for the full 1963 year will be approximately 2,500 tons.</p>
<p>36. Have any dividends been paid? If so, give date, per share rate, and amount paid in dollars on each distribution.</p>	<p>The Company has not paid any dividends to date. However a dividend was declared by the directors of the Company November 18, 1963, in the amount of 10¢ per share to shareholders of record on December 6, 1963, and payable December 27, 1963.</p>
<p>37. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.</p>	<p>Holden, Murdoch, Walton, Finlay, Robinson & Pepall, 2402, 44 King Street West, Toronto, Ontario.</p>
<p>38. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars.</p> <p>(b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars.</p> <p>(c) Has any application for listing of any shares of the Company ever been refused or deferred by any stock exchange? If so, give particulars.</p>	<p>The shares of the Company have not been listed on any other stock exchange.</p> <p>The Company does not contemplate making any application to list the shares of the Company on any other stock exchange, and no such application is pending.</p> <p>No application for listing any of the shares of the Company has ever been refused or deferred by any stock exchange.</p>

<p>39. Particulars of the principal business in which each officer and director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm.</p>	<p><i>JOHN R. BRADFIELD</i>, Toronto, Ontario, has for more than five years been the President and a director of Noranda Mines, Limited; is an officer and director of other companies.</p> <p><i>FREDERICK M. CONNELL</i>, Toronto, Ontario, has for more than five years been the President and a director of Conwest Exploration Company Limited; is an officer and director of other companies.</p> <p><i>MORSON S. FOTHERINGHAM</i>, Steep Rock Lake, Ontario; has more than five years been the President and General Manager of Steep Rock Iron Mines Limited; is a director of other companies.</p> <p><i>KENNETH C. GRAY</i>, Toronto, Ontario, for more than three years prior to 1961, was Vice-President and General Manager of Sylvanite Gold Mines Limited, since 1961 has been Vice-President Kerr-Addison Gold Mines Limited; is a director of other companies.</p> <p><i>HENRY E. LANGFORD</i>, Toronto, Ontario, for more than one year prior to June 1959, was General Manager of Chartered Trust Company, and since that date President of Chartered Trust Company; is a director of other companies.</p> <p><i>HAROLD H. LEATHER</i>, Hamilton, Ontario, for more than five years President of Leather Cartage Limited; is a director of other companies.</p> <p><i>RICHARD V. PORRITT</i>, Toronto, Ontario, for more than five years a Vice-President and a Director of Noranda Mines, Limited; is an officer and a director of other companies.</p> <p><i>W. HAROLD REA</i>, Toronto, Ontario, for more than five years prior to 1963 was the President and a director of Canadian Oil Companies Limited, since September 1963 has acted as an independent consultant; is a director of other companies.</p> <p><i>WILLIAM S. ROW</i>, Toronto, Ontario, prior to November 18, 1963 for more than five years was President and a Director of Kerr-Addison Gold Mines Limited; is an officer and director of other companies.</p> <p><i>W. DENT SMITH</i>, Toronto, Ontario, for more than five years has been President and a Director of Terminal Warehouses Limited; is an officer and director of other companies.</p> <p><i>BRUCE CHARLES BONE</i>, Don Mills, Ontario, since August 31, 1960 and up to November 18, 1963, Treasurer, Kerr-Addison Gold Mines Limited, and for more than two years prior to 1960 was Assistant Secretary of Anglo-Huronian, Limited.</p> <p><i>JOHN BARRY SAGE</i>, Islington, Ontario, since April 16, 1962 and up to November 18, 1963, Assistant Secretary, Kerr-Addison Gold Mines Limited, and for more than two years prior to 1962 was employed by Clarkson, Gordon & Co.</p> <p><i>RALPH DOUGLAS STEWART</i>, Islington, Ontario, since August 31, 1960 and up to November 18, 1963, Secretary of Kerr-Addison Gold Mines Limited, and for more than two years prior to 1960, Secretary of Anglo-Huronian, Limited.</p>
<p>40. The dates of and parties to and the general nature of every material contract entered into by the Company which is still in effect and is not disclosed in the foregoing.</p> <p>Except for management contracts, do not include particulars of any contract entered into in the ordinary course of business carried on or intended to be carried on by the Company.</p>	<p>The Company has not entered into any contract which is still in effect which is not disclosed by the foregoing except contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company.</p>
<p>41. Any other material facts not disclosed in the foregoing.</p>	<p>There are no material facts not disclosed in the foregoing.</p>

SCHEDULE "A"

referred to in Item 26 of the Listing Statement of

KERR ADDISON MINES LIMITED

dated December 6, 1963

Net Liquid Asset Values as at June 30, 1963

(000's omitted)

	KERR- ADDISON	ANGLO- HURONIAN	BOUZAN	PROS- PECTORS AIRWAYS	AMALGAM- ATED COMPANY	%
Short term notes (Note 2).	\$ 1,733	\$ 1,634	\$1,215	\$ 477	\$ 5,059	13%
Government & Corporation						
Bonds (Note 1)	4,533	650	90	1	5,274	14
Preferred Shares (Note 1).	412	286	—	—	698	2
Common Shares: (Note 1)						
Banks	789	229	—	—	1,018	3
Industrial Companies	1,487	48	—	—	1,535	4
Mining Companies	7,346	10,076	2,574	1,014	21,010	55
Oil & Gas Companies	774	40	148	—	962	3
Miscellaneous	—	—	67	—	67	—
Other liquid assets less all liabilities (Note 2).	1,088	(320)	9	(16)	761	2
Receivable from The Patino Mining Corporation (Note 3)	—	—	1,518	—	1,518	4
To be acquired by Amalgamated Company	\$18,162	\$12,643	\$5,621	\$1,476	<u>\$37,902</u>	<u>100%</u>
Add: Inter-company holdings (which will be cancelled through implementation of the Plan) (Note 1)	—	7,512	82	—		
	<u>\$18,162</u>	<u>\$20,155</u>	<u>\$5,703</u>	<u>\$1,476</u>		
Per Share	<u>\$ 3.84</u>	<u>\$ 13.44</u>	<u>88¢</u>	<u>43¢</u>	<u>\$ 5.40</u>	

NOTES:

1. Bonds and shares (including inter-company share holdings and all shares whether escrowed or not of Joutel Copper Mines Limited) are valued at market prices.
2. Short term notes and other liquid assets in which are included supplies and prepaid items are valued at cost.
3. The receivable from The Patino Mining Corporation (payable in six equal annual instalments commencing December 31, 1963) is discounted at 6%.

FINANCIAL STATEMENTS

KERR ADDISON MINES LIMITED

PRO FORMA BALANCE SHEET

(note 1)

June 30, 1963

ASSETS

CURRENT:

Cash	\$ 111,452	
Short-term notes and call loans	5,058,684	
Marketable investments, at cost less amounts written off (quoted market value \$11,584,134)	10,264,806	
Bullion, at current mint prices	865,403	
Accounts and interest receivable	555,146	\$16,855,491

INVESTMENTS in shares and bonds of mining companies at cost (note 3)		10,741,502
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INVESTMENTS in subsidiary companies:

Joutel Copper Mines Limited 2,073,069 shares at cost	\$ 802,494	
Other at nominal value	1	802,495

DEFERRED:

Supplies and materials, at cost	\$ 1,446,917	
Prepaid expenses	375,139	1,822,056

FIXED, at cost:

Mining claims and properties	\$ 1,245,994	
Land (surface rights only)	73,020	
Buildings, plant and equipment	\$14,248,989	
Less accumulated depreciation	13,483,421	765,568
		2,084,582

OTHER:

Receivable under agreement of sale (note 4)	\$ 1,500,000	
Mortgages receivable	19,514	
Shares of inactive mining companies at nominal value	4	1,519,518
		<u>\$33,825,644</u>

LIABILITIES

CURRENT:

Accounts payable and accrued charges	\$ 918,912	
Income and mining taxes payable	854,489	
Dividends payable	519,137	\$ 2,292,538

CAPITAL AND SURPLUS:

Capital stock —		
Authorized:		
10,000,000 shares of no par value		
Issued:		
7,013,902 shares	\$12,907,711	
Earned surplus	18,625,395	31,533,106
		<u>\$33,825,644</u>

(See accompanying notes to pro forma balance sheet)

Approved on behalf of the Board

"W. S. ROW", Director.

"K. C. GRAY", Director.

AUDITORS' REPORT

To the Directors of ANGLO-HURONIAN, LIMITED;

BOUZAN MINES LIMITED; KERR-ADDISON GOLD MINES LIMITED;

PROSPECTORS AIRWAYS COMPANY, LIMITED:

We have examined the pro forma balance sheet giving effect to the amalgamation of Anglo-Huronian, Limited, Bouzan Mines Limited and Kerr-Addison Gold Mines Limited under the name Kerr Addison Mines Limited and to the acquisition by that company of all the net assets of Prospectors Airways Company, Limited both as at June 30, 1963. With respect to the accounts of Anglo-Huronian, Limited and Prospectors Airways Company, Limited our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. The accounts of the other two companies were examined by other Chartered Accountants and are included in the pro forma balance sheet on the basis of their reports.

In our opinion the accompanying pro forma balance sheet presents fairly the financial position of the amalgamated company, Kerr Addison Mines Limited, as it would have appeared on June 30, 1963 had the transactions set out in note 1 to the pro forma balance sheet been effected at that date.

"CLARKSON, GORDON & CO."

Chartered Accountants.

Toronto, Canada,
October 4, 1963.

KERR ADDISON MINES LIMITED

NOTES TO PRO FORMA BALANCE SHEET

JUNE 30, 1963

1. The pro forma balance sheet gives effect as at June 30, 1963 to the following proposed transactions:
 - (a) The sale by Kerr-Addison Gold Mines Limited to Prospectors Airways Company, Limited of certain mining rights and licences of occupation pertaining to lands located in McGarry Township in the Larder Lake area of Ontario. The purchase price to be paid by Prospectors Airways Company, Limited is \$1,245,992, being the amount at which such assets are carried on the books of Kerr-Addison Gold Mines Limited, and is to be satisfied by Prospectors Airways Company, Limited giving to Kerr-Addison Gold Mines Limited a demand promissory note in that amount and bearing interest at 6½ % per annum.
 - (b) The statutory amalgamation of Anglo-Huronian, Limited, Bouzan Mines Limited and Kerr-Addison Gold Mines Limited under the name of Kerr Addison Mines Limited, which amalgamation provides for the conversion of the issued and outstanding shares of the amalgamating companies into issued and outstanding shares of Kerr Addison Mines Limited (after cancellation of 930,500 shares of Kerr-Addison Gold Mines Limited, 10,000 shares of Anglo-Huronian, Limited and 51,000 shares of Bouzan Mines Limited, being the intercompany holdings) on the following basis:
 - (i) One share of Kerr-Addison Gold Mines Limited into one share of Kerr Addison Mines Limited;
 - (ii) Five shares of Anglo-Huronian, Limited into eight shares of Kerr Addison Mines Limited; and
 - (iii) Ten shares of Bouzan Mines Limited into one share of Kerr Addison Mines Limited.
 - (c) The purchase by Kerr Addison Mines Limited of the assets and undertaking of Prospectors Airways Company, Limited (including the mining rights and licences of occupation referred to in paragraph (a) above) in consideration of (i) the allotment and issue of 185,200 shares of Kerr Addison Mines Limited; (ii) the undertaking of Kerr Addison Mines Limited to allot and issue to Prospectors Airways Company, Limited on demand 156,800 shares of Kerr Addison Mines Limited; and (iii) the assumption by Kerr Addison Mines Limited of the liabilities of Prospectors Airways Company, Limited.
 - (d) The distribution of the assets of Prospectors Airways Company, Limited which will result in the surrender for cancellation of the undertaking of Kerr Addison Mines Limited referred to in paragraph (c) (ii) above.
 - (e) The writting-off of exploration expenditures of \$1,201,707 in the aggregate incurred by the three amalgamating companies and Prospectors Airways Company, Limited or its subsidiaries, and deferred by them in their respective balance sheets as as June 30, 1963 in accordance with the proposed accounting policy of Kerr Addison Mines Limited to write off such expenditures when incurred
2. The following summaries show the effect of the above transactions on the pro forma balance sheet of the amalgamated company:

(a) CAPITAL AND SURPLUS:

	ISSUED CAPITAL LESS DISCOUNT	EARNED SURPLUS	TOTAL
Amounts appearing in the individual balance sheets of the participating companies:			
Kerr-Addison Gold Mines Limited	\$ 2,931,923	\$14,518,921	\$17,450,844
Anglo-Huronian Limited	5,340,349	8,803,870	14,144,219
Bouzan Mines Limited	3,398,754	1,466,333	4,865,087
Prospectors Airways Company, Limited	3,463,755	(1,798,022)	1,665,733
	<u>\$15,134,781</u>	<u>\$22,991,102</u>	<u>\$38,125,883</u>
Deduct:			
Cancellation of inter-company shareholdings	\$ 2,227,070	\$ 3,164,000	\$ 5,391,070
Write-off of deferred exploration expenditures —			
Incurred directly by companies		541,346	541,346
Incurred through subsidiaries of Prospectors Airways Company, Limited		660,361	660,361
	<u>\$ 2,227,070</u>	<u>\$ 4,365,707</u>	<u>\$ 6,592,777</u>
Amounts appearing in the pro forma balance sheet of the amalgamated company	<u>\$12,907,711</u>	<u>\$18,625,395</u>	<u>\$31,533,106</u>

(b) MARKETABLE INVESTMENTS:

Marketable investments appearing in the individual balance sheets of the participating companies:	QUOTED MARKET VALUE	COST OR BOOK VALUE
Kerr-Addison Gold Mines Limited	\$14,935,597	\$12,371,023
Anglo-Huronian, Limited	2,848,980	1,572,065
Bouzan Mines Limited	2,961,310	1,834,598
Prospectors Airways Company, Limited	86,865	112,054
	<u>\$20,832,752</u>	<u>\$15,889,740</u>
Deduct:		
Investments transferred to Investments in shares and bonds of mining companies	\$ 7,974,605	\$ 5,050,944
Investment in shares of Joutel Copper Mines Limited transferred to Investments in subsidiary companies	1,169,543	470,570
Cancellation of inter-company shareholdings	104,470	103,420
	<u>\$ 9,248,618</u>	<u>\$ 5,624,934</u>
Amounts appearing in the pro forma balance sheet of the amalgamated company	<u>\$11,584,134</u>	<u>\$10,264,806</u>

(c) INVESTMENTS IN SHARES AND BONDS OF MINING COMPANIES:

	Shares and bonds having a quoted market value		OTHER INVESTMENTS	TOTAL
	QUOTED MARKET VALUE	COST		
Investments in shares and bonds of mining companies appearing in the balance sheet of Anglo-Huronian Limited	\$15,991,788	\$10,702,109	\$423,603	\$11,125,712
Add investments transferred from Marketable securities	7,974,605	5,050,944		5,050,944
	<u>\$23,966,393</u>	<u>\$15,753,053</u>	<u>\$423,603</u>	<u>\$16,176,656</u>
Deduct:				
Investment in shares of Joutel Copper Mines Limited transferred to Investments in subsidiary companies	\$ 336,801	\$ 147,504		\$ 147,504
Cancellation of inter-company shareholdings	7,488,235	5,287,650		\$ 5,287,650
	<u>\$ 7,825,036</u>	<u>\$ 5,435,154</u>		<u>\$ 5,435,154</u>
Amounts appearing in pro forma balance sheet of the amalgamated company	<u>\$16,141,357</u>	<u>\$10,317,899</u>	<u>\$423,603</u>	<u>\$10,741,502</u>

- Shares and bonds of mining companies consist of holdings which are not in the nature of temporary investments. Included are shares and bonds carried at a cost of \$10,317,899 which have a quoted value of \$16,141,357 computed by pricing the individual holdings at the closing market quotations on June 28, 1963. The latter amount does not necessarily represent the value of these holdings which may be more or less than that indicated by market quotations. Also included are investments carried at a cost of \$423,603 consisting of holdings for which no regular market quotations are available.
- The amount shown as "Receivable under agreement of sale" represents amounts due from The Patino Mining Corporation on sale of mining property of Bouzan Mines Limited for \$1,800,000 due in annual instalments of \$300,000 from December 31, 1963. The initial payment has been included in "Accounts and interest receivable" in the pro forma balance sheet.

